

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATIONFORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 03-002	2. STATE Arizona
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2003	
5. TYPE OF PLAN MATERIAL (Check One):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: N/A. Program was eliminated.		7. FEDERAL BUDGET IMPACT: a. FFY \$0.00 b. FFY \$0.00	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Section 3, Page 21-continued Section 3, Page 29a Supplement 8a to Attachment 2.6-A, Page 1 Supplement 8b to Attachment 2.6-A, Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
10. SUBJECT OF AMENDMENT: Elimination of the Qualified Individual-2 (QI-2) program			
11. GOVERNOR'S REVIEW (Check One):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED:			
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
13. TYPED NAME: Lynn Dunton		Lynn Dunton Mail Drop 4200 801 East Jefferson Phoenix, Arizona 85034	
14. TITLE: Assistant Director			
15. DATE SUBMITTED: February 1, 2003			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: February 6, 2003		18. DATE APPROVED: April 18, 2003	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2003		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Linda Minamoto		22. TITLE: Associate Regional Administrator Division of Medicaid	
23. REMARKS:			

Revision: HCFA-PM-98-1 (CMSO)
April 1998

State: ARIZONA

Citation

3.1 Amount, Duration, and Scope of Services
(Continued)

1925 of the Act

(a)(5) Other Required Special Groups: Families
Receiving Extended Medicaid Benefits

Extended Medicaid benefits for families described in section 1925 of the Act are provided as indicated in item 3.5 of this plan.

TN No. 03-002

Supersedes

TN No. 98-08

Approval Date

APR 18 2003

Effective Date January 1, 2003

Revision: HCFA-PM-97-3 (CMSO)
December 1997

State: ARIZONA

Citation

1902(a)(10)(E)(ii)
and 1905(s) of the Act

(ii) Qualified Disabled and Working
Individual (QDWI)

The Medicaid agency pays Medicare Part A premiums under a group premium payment arrangement, subject to any contribution required as described in ATTACHMENT 4.18-E, for individuals in the QDWI group defined in item A.26 of ATTACHMENT 2.2-A of this plan.

1902(a)(10)(E)(iii)
and 1905(p)(3)(A)(ii)
of the Act

(iii) Specified Low-Income Medicare
Beneficiary (SLMB)

The Medicaid agency pays Medicare Part B premiums under the State buy-in process for individuals in the SLMB group defined in item A.27 of ATTACHMENT 2.2-A of this plan.

1902(a)(10)(E)(iv)(I),
1905(p)(3)(A)(ii), and
1933 of the Act

(iv) Qualifying Individual - 1 (QI-1)

The Medicaid agency pays Medicare Part B premiums under the State buy-in process for individuals described in 1902(a)(10)(E)(iv)(I) and subject to 1933 of the Act.

TN No. 03-002

Supersedes

TN No. 98-08

Approval _____

APR 18 2003

Effective Date January 1, 2003

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARIZONA

MORE LIBERAL METHODS OF TREATING INCOME UNDER SECTION 1902(r)(2) OF THE ACT*

 Section 1902(f) State

 X Non-Section 1902(f) State

- I. The following income method applies to individuals covered in Section 1905(p) of the Act (QMB, SLMB, and QI-1) and in Section 1902(a)(10)(A)(ii)(I) of the Act (SSI Non Cash).

The State shall follow SSI computation rules with following exceptions:

- For an applicant or recipient living with a spouse, the computation rules for an eligible couple shall be followed, even when the spouse is not eligible for or applying for SSI or Medicaid benefits.
- For a couple living with a child** (or children), a deduction from the combined net income of the couple shall be allowed as an allocation for each child using the methodology described in 20 CFR 416.1163(b)(1) and (2) regardless of whether the child is ineligible or eligible. The child's allocation is reduced by that child's income [20CFR 416.1161(c)], including public income-maintenance payments.
- For an applicant/recipient not living with a spouse but living with his or her child** (or children), a deduction from the individual's net income shall be allowed as an allocation for each child using the methodology described in 20 CFR 416.1163(b)(1) and (2), regardless of whether the child is ineligible or eligible. The child's allocation is reduced by that child's income [20 CFR 416.1161(c)], including public income-maintenance payments.
- For an applicant/recipient who is a child, the deemed income from an ineligible parent shall allow an allocation for both eligible and ineligible children of the parent(s) using the methodology described in 20 CFR 416.1165(b). The child's allocation is reduced by that child's income [20 CFR 416.1161(c)], including public income-maintenance payments.

**MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902 (r)(2) OF THE ACT***

 Section 1902(f) State

 X Non-Section 1902(f) State

1. The following resource methodology applies to individuals covered in Section 1905(p) (QMB, SLMB, and QI-1) and, except for ALTCS eligibility, including individuals approved for ALTCS acute care services under 1902(a)(10)(A)(ii)(I) of the Act, aged, blind or disabled individuals covered in Section 1902(a)(10)(A)(ii)(I) of the Act:

All resources shall be excluded.

2. The following resource methodology applies to individuals covered in Section 1902(a)(10)(A)(ii)(V) :
- a. Rather than the disregards described at section 1613(d) of the Social Security Act, the following disregards are used:
- Term insurance;
 - Burial insurance;
 - Assets that an individual has irrevocably assigned to fund the expenses of a burial;
 - The value of all life insurance when the face value does not exceed \$1,500 (total per insured individual) and the policy has not been assigned to fund a pre-need burial plan or declaratively designated as a burial fund;
 - Burial plot items as defined in 1613(a)(2)(B) of the Social Security Act;
 - At the time of the eligibility determination, \$1,500 of the equity value of an asset declaratively designated as a burial fund or a revocable burial arrangement when there is no irrevocable burial arrangement, and
 - If an individual remains continuously eligible, all appreciation in value of his assets will also be disregarded.
- b. Disregard the value of all household goods and personal effects in the resource eligibility determination.
- c. Disregard the value of oil, mineral and timber rights in the resource eligibility determination.